

Three Simple Ways to Grow a Small Business on a Tight Budget



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You may have heard that you have to spend money to make money, but as a small business owner this isn't always a feasible option. The good news is that it is possible to [grow your business](#) even if you're currently operating on a tight budget. Here are some tips.

Barter your services

It may sound old fashioned, but bartering is still an effective way for small to mid-size businesses to get things they need without spending their precious funds. [Bartering](#) is simple. You offer to trade something of yours (usually your services) for something you need. For example, let's say your business is a consulting firm. You could offer some free consulting to a local use electronics business in exchange for a couple of used computers. Or if you have a well-trafficked website, you could offer a company some advertising space for some of their product. The emphasis on monetary exchange for goods and services is a recent trend, historically speaking. Bartering between businesses has been alive and well for centuries.

Look for cheaper labor

Hiring employees costs a lot of money, and cash-strapped businesses cannot afford to expend all of their resources on personnel. One option is to look into hiring interns. Though there are [some limits](#) on what kind of work unpaid interns can perform at your business, paid interns can certainly help with any business-related task. As part of an intern's "payment" is the experience and education they're receiving while working at your business, you don't have to pay them quite as much as a regular full-time employee. Plus, when you're ready to hire someone full-time, interns are a great option because you can save on hiring, recruitment, and training costs. Turning to friends and family for help is another option, though you have to be careful. As [HomeAdvisor.com](#) points out, potential conflicts between you and friends and family members on the job can harm your business' reputation.

Focus on social media and other cheap marketing

Building a strong online presence is one of the cheapest ways to help your business grow. You should focus on creating original content to post on your company blog/website, Facebook, Twitter, Instagram, LinkedIn, and other social outlets. It doesn't cost you anything to come up with original content (a blog post on winter weatherizing tips if you run an auto repair business, for example), and this content will be shared and posted - spreading your company name and reputation.

Use social media to build your customer service efforts and go above and beyond for your current customers/clients. Many business owners focus on new customers when growing their business, but forget that their current customers are their best assets. If you provide exceptional service, you build loyal customers. Loyal customers will become some of your best advertising assets. Take advantage of these assets by actively asking for referrals.

Create an electronic newsletter in order to provide updates to customers and prospects alike. It can be scheduled monthly or when there's a special or something exciting being announced. This will get your name in front of them more frequently such that when it comes time to utilize your services, your company will have top-of-mind awareness and you'll get the call for work you might not otherwise have known about.

"Most small businesses think they ask for referrals but they do it very reactively – not proactively," notes [BozemanMagazine.com](#). You can't simply expect your customers to proselytize on your behalf. Ask them.

Having limited funds forces you to be smart and creative when it comes to growing your business. Some small business owners make the mistake of throwing too much capital at traditional growth efforts like expensive advertising, quick expansion, or hiring a bunch of

employees. By thinking outside the box and making use of low cost options, you can both save and grow at the same time.